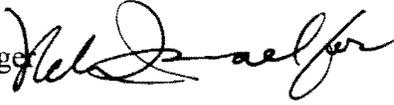


CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

April 17, 2013

TO: BOARD OF RECREATION AND PARK COMMISSIONERS
FROM: JON KIRK MURKI, General Manager 
SUBJECT: GRIFFITH PARK TRAIN RIDE CONCESSION – PROPOSED TICKET PRICE INCREASE (BOARD REPORT NO. 12-212)

Background

On July 19, 2012, the Board was presented with Board Report No. 12-212 requesting a ticket price increase for the Griffith Park Train Ride Concession (Concession), which has two locations in Griffith Park: the Griffith Park & Southern Railroad Station (GP&S) at 4400 Crystal Springs Drive, and the Travel Town Station at 5200 Zoo Drive.

The operator of the Concession, GP RAH Enterprises, LLC (Concessionaire), proposed a ticket price increase for the train rides as follows:

	<u>Current Price</u>	<u>Proposed Price</u>
Single Ticket	\$2.50	\$2.75
Group Tickets (20 or more)	\$2.00	\$2.25
Senior Tickets (Age 65 or older)	\$2.00	\$2.25
Simulator Ride Tickets	\$3.00	No change

The last ticket price increase was approved by the Board on June 20, 2007 (Board Report No. 07-146) and became effective on July 1, 2007.

The ticket price increase was proposed so that the Department of Recreation and Parks (Department) could continue to ensure that the train rides are moderately priced for families and other park visitors. The increase would also allow the Concessionaire the ability to recoup increased expenditures due to increased fuel and insurance costs, as well as make improvements to the Concession. Staff researched current per-ride prices of miniature train rides in the greater Southern California area and found that they are comparable to the proposed price increase.

At the meeting, the Commissioners expressed concern with the state of the Concession. The Commissioners were concerned with “peeling paint and dirt” at the Concession, and believed the decrease in ridership was due to the conditions at the ride. The Board continued Board Report No. 12-212 and has since not acted upon it.

Current Status

In January 2013, the Concessionaire requested and received copies of the tapes of the Board's meeting on July 19, 2012. In a letter to the General Manager dated January 11, 2013, the Concessionaire responded to the Board's concerns. The Concessionaire stated that part of his original plan for maintenance at the Concession, once the ticket price increase was approved, was to paint the barn at the GP&S location; the City had researched doing the painting itself, but found it could not. The Concessionaire stated in his letter that he will paint the barn.

The Concessionaire further addressed the Commissioners' request for future improvements. The Concessionaire plans to paint the barn, refurbish the "Old Town" section of the GP&S location, and refurbish the ticket booth at the Travel Town location. The Concessionaire stated that he is "open to additional ideas."

On March 14, 2013, the Concessionaire met with Concessions Unit staff. The Concessionaire was seeking guidance regarding the types of refurbishment to be made at the Concession. After the meeting, the Concessionaire sent a follow-up letter dated March 20, 2013, which gives an estimated timeline of repairs and refurbishments to occur at the Concession once the ticket price increase is approved, as follows:

1. Repair and refurbish the "Old Town" façade by August 31, 2013;
2. Replace and repaint the SR2 simulator building siding damaged by the City's landscaping sprinklers; repaint the interior of the simulator building; and repaint or re-skin the simulator shell by June 30, 2013;
3. Set up a schedule to repaint the passenger cars on a regular basis. Change the paint schemes to a brighter color and add details as seen on full-sized railroads. The first cycle will begin by September 2013 and be completed by September 2014 at the rate of approximately one car painted per month. To maintain the bright and new appearance of the cars, the concessionaire will, at a minimum, repaint every three to four years. The schedule will be determined based on how rapidly the new paint schemes wear off.
4. Create and implement a regular cleaning maintenance schedule with written logs to keep the trains, buildings and grounds clean by April 30, 2013;
5. Repaint the maintenance barn by July 31, 2013;
6. Repair and refurbish the Travel Town ticket booth (no end date given);
7. Repair irrigation systems and add improved landscaping around the north end of the track and around the maintenance barn beginning April 2013 and completing by March 2014.

Because the Concessionaire is willing to address the Board's concerns with specific actions, and because the Concessionaire has been responsive to the Department's requests throughout the years of the Concession Agreement, the Department affirms its original recommendation that the Board approve the proposed ticket price increase, effective upon Board approval.

Report prepared by Désirée Guzzetta, Management Analyst II, Concessions Unit, Administrative Resources Section, Finance Division